



Missouri Department of Higher Education

Building Missouri's future...by degrees

May 3, 2011

Dr. Troy D. Paino, President
Truman State University
McClain Hall 200
100 East Normal Avenue
Kirksville, MO 63501-4221

Dear President Paino:

The purpose of this letter is to inform you that your request for a waiver of penalty for increasing tuition and required fees is approved. This action is required because Truman State University's tuition increase of 4.7% for FY12 will exceed the amount allowed under the provisions of the Higher Education Student Funding Act (HEFSA).

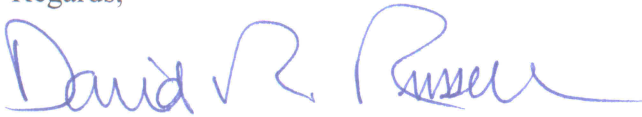
I arrived at this decision by evaluating the information provided in your April 22, 2011, waiver request within the context of the criteria previously provided by the Missouri Department of Higher Education. I also considered separate recommendations of department staff.

The overall justification given in support of the university's penalty waiver request was strong; however, certain arguments were particularly persuasive:

- When measured over the past three years, the total tuition increase is less than 1% above the CPI change for that same period (4.7% compared to 4.3%), whereas the decrease in state appropriations over that same period is approximately 12.2% (including the governor's proposed 7% reduction for FY12).
- Over the same three-year period, cost increases for mandatory items such as utilities, insurance and retirement have increased over \$1.4 million.
- Truman has taken a number of actions in recent years to reduce or avoid costs to help offset the budget shortfall caused by the decrease in appropriations, including a 10% reduction in staff, early retirement incentive programs, lines of business analyses and investments to reduce energy costs.
- The anticipated revenue from this tuition increase still will leave a significant funding gap in FY12 that Truman will have to make up through additional budget reduction measures.

Truman's decision with respect to tuition in FY12 is a positive response to Governor Nixon's decision to hold the FY12 budget reduction for universities to 7% and his appeal to our public colleges and universities to hold the line on tuition increases. We owe it to Missouri's students and their families to keep universities affordable and accessible. I encourage you to continue to control tuition by aggressively seeking every possible opportunity to reduce operating costs and make the university as efficient as possible.

Regards,

A handwritten signature in blue ink that reads "David R. Russell". The signature is fluid and cursive, with the first name "David" being the most prominent.

David R. Russell, Ph.D.
Commissioner of Higher Education

cc: David Rector